

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

Electronic Application of Kentucky Power	)	
Company for (1) Approval of its Revised Terms	)	Case No.: 2017-00231
and Conditions of Service Implementing New	)	
Bill Formats; (2) an Order Granting All Other	)	
Required Approvals and Relief	)	

ATTORNEY GENERAL'S MOTION TO CONSOLIDATE CASES

Comes now the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention (the "Attorney General"), pursuant to 807 KAR 5:001 § 5, and hereby moves the Kentucky Public Service Commission (the "Commission") for an Order consolidating this case with Kentucky Power Company ("KPCo")'s pending base rate case, Case No. 2017-00179 (the "rate case"). In support of this Motion, the Attorney General states as follows:

1. The Commission would be doing a disservice to KPCo customers, and to itself, by hearing this case and the rate case separately. While KPCo may argue that the rate case should be separate from these AEP-wide administrative changes to the bill format, the Kentucky jurisdictional matters are, nevertheless, inextricably linked. The Attorney General's focus is on the consumers and their inherent right to transparency in furtherance of better understanding the rates and the line items on their bills. A consolidated case presents the opportunity for improved communication, cooperation, and involvement among the utility, its customers, and the Commission. Including the bill format changes in the pending rate case provides a known avenue for these customers to understand and comment on the correlation between the presentation of bills and the fairness of the rates therein. This additional

involvement by customers and the consolidation of interrelated issues will better help the Commission determine whether both proposals—the bill format changes and the proposed rates—are fair, just, and reasonable when considered in concert with each other.

2. There is no statutory requirement which requires the Commission to decide the above-styled case within a specific timeframe.

3. The issues that are raised in the present case, namely bill formatting and specific revisions to terms and conditions, overlap with the issues in the rate case, where the simplification of KPCo's bills is discussed, as is updating and revising KPCo's terms and conditions of service.<sup>1</sup>

4. Furthermore, the issues in each case overlap to such a degree as to present similar questions of fact.<sup>2</sup> In this case, KPCo says customers' "most frequent complaint about the bill format was the number of line items appearing on the bill."<sup>3</sup> However, survey data from 2014 included in the filing shows that the lowest marks for customer satisfaction with KPCo are in the categories of Fairness of Pricing and Total Monthly Cost of Electric Service.<sup>4</sup> Such responses demonstrate the importance customers place on transparency in the calculation of rates, and how clearly the utility explains that process to them.

5. If the Commission were to approve the relief requested in this case before considering the issues of the rate case, it would only serve to increase customer confusion as to how the new bill design would depict the new rates. In a recent final order, in Case No.

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<sup>1</sup> See Case No. 2017-00179, *Kentucky Power Company Application*, Page 10, Paragraph 17(j); Page 17, Paragraph 40; Pages 19-20, Paragraph 45; Pages 20-21, Paragraph 48; Case No. 2017-00231, *Application*, Section III, *Direct Testimony of Stephen L. Sharp, Jr.*, Pages 2, 19; *Exhibit SLS-1*.

<sup>2</sup> 807 KAR 5:001 § 4(14).

<sup>3</sup> Case No. 2017-00231, *Application*, Section III, *Direct Testimony of Stephen L. Sharp, Jr.*, Page 5.

<sup>4</sup> See Case No. 2017-00231, *Application*, Section III, *Direct Testimony of Stephen L. Sharp, Jr.*, *Exhibit SLS-1*.

2017-00115,<sup>5</sup> the Commission stressed the importance of the utility continuing to educate its customers on issues including how to evaluate pricing information and whether they are saving money by participating in certain programs. The Commission ordered the utility to send quarterly bill inserts to customers in addition to pursuing additional means of education, thereby promoting ongoing and effective transparency.<sup>6</sup>

6. The Attorney General submits that in order for the Commission to be able to adequately address the present issues of transparency in billing and rates, as well as KPCo's requested relief in the context of these overlapping issues, this case and the rate case must be decided concurrently. Thus, in light of this interdependence of the issues in each case, good cause exists to grant the Attorney General's requested relief to consolidate the cases, pursuant to 807 KAR 5:001 § 4(14).

7. In the application for Case No. 2017-00239, KPCo asked the Commission for a final order approving the changes to its bill formatting, and terms and conditions, by September 15, 2017 in order to allow for programming changes and systems testing before the full implementation of the new bill design occurs in December 2017.<sup>7</sup> However, the Commission retains the ability to issue an interlocutory order, if it so chooses, to grant the requested relief by this proposed deadline.

8. Consolidating the cases will provide for much greater judicial economy in avoiding duplicative work, while the rights of the parties or the public interest will not be prejudiced by such action. Any perceived cost to KPCo by delaying the approval of its new bill formatting is mitigated by the Commission's ability to issue an interlocutory order by the

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<sup>5</sup> Case No. 2017-00115, *Tariff Filing of Columbia Gas of Kentucky, Inc. to Extend its Small Volume Gas Transportation Service* (Ky. PSC Jun. 19, 2017).

<sup>6</sup> *Id.* at 5.

<sup>7</sup> Case No. 2017-00231, *Application, Section III, Direct Testimony of Stephen L. Sharp, Jr., Page 9.*

requested deadline. The public interest is served through avoiding separate and possibly contradictory orders in such similar cases. Finally, the Attorney General believes that the Commission will be able to produce a more comprehensive final order regarding the merits of each case, with a fairer outcome to all parties, if they are heard as one consolidated matter.

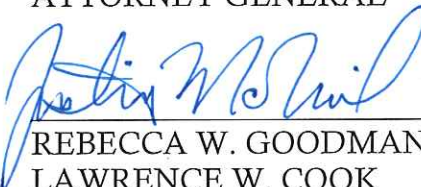
WHEREFORE, the Attorney General respectfully requests that the Commission enter an Order:

1. Consolidating this case with Kentucky Power Company, Case No. 2017-00179.
2. Granting all other relief to which one or more of the Parties may appear entitled.

This 13<sup>th</sup> day of July, 2017.

Respectfully submitted,

ANDY BESHEAR  
ATTORNEY GENERAL



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*Certificate of Service and Filing*

Counsel certifies that the foregoing is a true and accurate copy of the same document being filed in paper medium with the Commission within two business days; that the electronic filing has been transmitted to the Commission on July 13<sup>th</sup>, 2017; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

This 13<sup>th</sup> day of July, 2017.

  
Assistant Attorney General